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## **PROFIT ALERT REDUCTION IN LOSS**

This announcement is made by China Fordoo Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Directors**”) of the Company (the “**Board**”) hereby informs the shareholders of the Company and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2022 (the “**Period**”) and other information currently available to the Company, the Group is expected to record a loss from continuing operations attributable to the equity holders of the Company of not more than RMB5.0 million for the Period, while the loss from continuing operations attributable to the equity holders of the Company for the corresponding period in 2021 (the “**Prior Period**”) was approximately RMB63.6 million.

The Board considers that the expected decrease in loss recorded during the Period was mainly attributable to, among others, (1) the increase in the Group’s revenue mainly due to the new revenue stream of sales of automotive, motorcycle and other industrial products to customers in Saudi Arabia, which was only commenced in the second half of 2021. The demand of such products from customers in Saudi Arabia remained high during the Period as the economy of Saudi Arabia: (i) recovered rapidly from the Covid-19 pandemic due to the high vaccination rate; and (ii) benefited from the high oil prices and strong demand of oil owing to the Russian-Ukrainian War; and (2) the increase in the Group’s gross profit margin. Due to the recurrence of COVID-19 pandemic during the Period, some of the suppliers in Southeast Asia were not able to arrange productions and shipments to meet the demand from customers in Saudi Arabia. Since our main suppliers and export ports were located in Zhejiang and

Shandong in the PRC and were not significantly affected by the pandemic prevention measures. Therefore, we had stronger bargaining power to negotiate and led to higher selling prices.

The information contained in this announcement is only based on a preliminary review of the unaudited consolidated management accounts of the Group and other information currently available to the Board, which has not been reviewed by the Company's auditors and is subject to possible adjustments arising from further review. The Company is still in the process of finalising the interim results of the Group for the Period. The interim results of the Group for the Period may be different from the information referred in this announcement. Further details of the Group's financial results and performance will be disclosed in the Company's announcement of interim results for the Period, which is expected to be published on 30 August 2022.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**China Fordoo Holdings Limited**  
**Peng Zuncheng**  
*Executive Director*

Hong Kong, 23 August 2022

*As at the date of this announcement, the executive Directors are Mr. Kwok Kin Sun, Mr. Kwok Hon Fung, Mr. Lu Ke and Mr. Peng Zuncheng; the non-executive Director is Mr. Wang Yan; and the independent non-executive Directors are Mr. Cheung Chiu Tung, Mr. Poon Yick Pang Philip and Mr. Ma Yu-heng.*

*Website: [www.fordoo.cn](http://www.fordoo.cn)*